

1-1 By: Turner (Senate Sponsor - Ellis) H.B. No. 364
1-2 (In the Senate - Received from the House April 14, 2011;
1-3 April 20, 2011, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 13, 2011, reported favorably by
1-5 the following vote: Yeas 4, Nays 1; May 13, 2011, sent to
1-6 printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to condominiums in certain municipalities, including the
1-10 exercise of eminent domain authority by those municipalities with
1-11 respect to certain condominiums.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 2206.001, Government Code, is amended by
1-14 adding Subsection (b-1) to read as follows:

1-15 (b-1) Subsection (b)(3) does not prohibit the taking of
1-16 private property through the use of eminent domain for economic
1-17 development purposes if the economic development is a secondary
1-18 purpose resulting from the elimination of urban blight under
1-19 Subchapter I, Chapter 214, Local Government Code. This subsection
1-20 expires December 31, 2016.

1-21 SECTION 2. The heading to Section 82.118, Property Code, is
1-22 amended to read as follows:

1-23 Sec. 82.118. SERVICE OF PROCESS ON UNIT OWNERS IN CERTAIN
1-24 MUNICIPALITIES; CHANGE OF ADDRESS REQUIRED.

1-25 SECTION 3. Section 82.118, Property Code, is amended by
1-26 adding Subsection (c) to read as follows:

1-27 (c) Not later than the 90th day after the date a unit owner
1-28 changes the unit owner's mailing address, the owner must provide
1-29 written notice of the owner's new address to the appraisal district
1-30 in which the condominium is located.

1-31 SECTION 4. Section 82.153(a), Property Code, is amended to
1-32 read as follows:

1-33 (a) A condominium information statement must contain or
1-34 accurately disclose:

1-35 (1) the name and principal address of the declarant
1-36 and of the condominium;

1-37 (2) a general description of the condominium that
1-38 includes the types of units and the maximum number of units;

1-39 (3) the minimum and maximum number of additional
1-40 units, if any, that may be included in the condominium;

1-41 (4) a brief narrative description of any development
1-42 rights reserved by a declarant and of any conditions relating to or
1-43 limitations upon the exercise of development rights;

1-44 (5) copies of the declaration, articles of
1-45 incorporation of the association, the bylaws, any rules of the
1-46 association, and amendments to any of them, and copies of leases and
1-47 contracts, other than loan documents, that are required by the
1-48 declarant to be signed by purchasers at closing;

1-49 (6) a projected or pro forma budget for the
1-50 association that complies with Subsection (b) for the first fiscal
1-51 year of the association following the date of the first conveyance
1-52 to a purchaser, identification of the person who prepared the
1-53 budget, and a statement of the budget's assumptions concerning
1-54 occupancy and inflation factors;

1-55 (7) a general description of each lien, lease, or
1-56 encumbrance on or affecting the title to the condominium after
1-57 conveyance by the declarant;

1-58 (8) a copy of each written warranty provided by the
1-59 declarant;

1-60 (9) a description of any unsatisfied judgments against
1-61 the association and any pending suits to which the association is a
1-62 party or which are material to the land title and construction of
1-63 the condominium of which a declarant has actual knowledge;

1-64 (10) a general description of the insurance coverage

2-1 provided for the benefit of unit owners;
 2-2 (11) current or expected fees or charges to be paid by
 2-3 unit owners for the use of the common elements and other facilities
 2-4 related to the condominium; and

2-5 (12) for a condominium located wholly or partly in a
 2-6 municipality with a population of more than 1.9 million a statement
 2-7 that a unit owner:

2-8 (A) as an alternative to personal service, may be
 2-9 served with process by the municipality or the municipality's agent
 2-10 for a judicial or administrative proceeding initiated by the
 2-11 municipality and directly related to the unit owner's property
 2-12 interest in the condominium by serving the unit owner at the unit
 2-13 owner's last known address, according to the records of the
 2-14 appraisal district in which the condominium is located, by any
 2-15 means permitted by Rule 21a, Texas Rules of Civil Procedure;

2-16 (B) shall ~~promptly~~ notify the appraisal
 2-17 district in writing of a change in the unit owner's mailing address
 2-18 not later than the 90th day after the date the unit owner changes
 2-19 the address; and

2-20 (C) may not offer proof in the judicial or
 2-21 administrative proceeding, or in a subsequent related proceeding,
 2-22 that otherwise proper service by mail of the notice was not received
 2-23 not later than three days after the date the notice was deposited in
 2-24 a post office or official depository under the care and custody of
 2-25 the United States Postal Service.

2-26 SECTION 5. Chapter 214, Local Government Code, is amended
 2-27 by adding Subchapter I to read as follows:

2-28 SUBCHAPTER I. EMINENT DOMAIN AUTHORITY OF CERTAIN MUNICIPALITIES
 2-29 TO TAKE ABANDONED CONDOMINIUMS

2-30 Sec. 214.301. APPLICABILITY. This subchapter applies only
 2-31 to a municipality with a population of more than 1.9 million.

2-32 Sec. 214.302. DEFINITION. In this subchapter,
 2-33 "condominium" means a condominium as defined by Section 81.002 or
 2-34 82.003, Property Code.

2-35 Sec. 214.303. EMINENT DOMAIN AUTHORITY. A municipality may
 2-36 take a condominium through the use of eminent domain for the purpose
 2-37 of the elimination of urban blight if a tract or unit of real
 2-38 property on which the condominium sits presents the following
 2-39 conditions for at least one year after the date on which notice of
 2-40 the conditions is reasonably attempted to be provided to the
 2-41 property owner:

2-42 (1) all lawful occupation of or construction activity
 2-43 for the condominium has ceased;

2-44 (2) the property contains uninhabitable, unsafe, and
 2-45 unsanitary units that are not fit for their intended use because the
 2-46 utilities, sewerage, plumbing, or heating or a similar service or
 2-47 facility of the units has been destroyed, removed, or rendered
 2-48 ineffective; and

2-49 (3) the property has been the location of
 2-50 substantiated and repeated illegal activity of which the property
 2-51 owner knew or should have known.

2-52 Sec. 214.304. EXPIRATION OF SUBCHAPTER. This subchapter
 2-53 expires December 31, 2016.

2-54 SECTION 6. The change in law made by this Act applies only
 2-55 to a condemnation proceeding in which the condemnation petition is
 2-56 filed on or after the effective date of this Act and to any property
 2-57 condemned through the proceeding. A condemnation proceeding in
 2-58 which the condemnation petition is filed before the effective date
 2-59 of this Act and any property condemned through the proceeding are
 2-60 governed by the law in effect immediately before the effective date
 2-61 of this Act, and that law is continued in effect for that purpose.

2-62 SECTION 7. This Act takes effect September 1, 2011.

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